## **Maine Revised Statutes**

## Title 10: COMMERCE AND TRADE

## Chapter 203-A: MANUFACTURER WARRANTIES ON MOTOR VEHICLES

## §1163. RIGHTS AND DUTIES

1. Repair of nonconformities. If a motor vehicle does not conform to all express warranties, the manufacturer, its agent or authorized dealer shall make those repairs necessary to conform the vehicle to the express warranties if the consumer reports the nonconformity to the manufacturer, its agent or authorized dealer during the term of the express warranties, within a period of 3 years following the date of original delivery of the motor vehicle to a consumer or during the first 18,000 miles of operation of that motor vehicle, whichever occurs earliest. This obligation exists notwithstanding the fact that the repairs are made after the expiration of the appropriate time period.

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A. [1989, c. 570, §2 (RP).]
B. [1989, c. 570, §2 (RP).]
[ 2003, c. 337, §5 (AMD) .]
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- 2. Failure to make effective repair. If the manufacturer or its agents or authorized dealers are unable to conform the motor vehicle to any applicable express warranty by repairing or correcting any defect or condition, or combination of defects or conditions that substantially impairs the use, safety or value of the motor vehicle after a reasonable number of attempts, the manufacturer shall either replace the motor vehicle with a comparable motor vehicle or accept return of the vehicle from the consumer and make a refund to the consumer and lienholder, if any, as their interests may appear. The consumer may reject any offered replacement and receive instead a refund. The refund must consist of the following items, less a reasonable allowance for use of the vehicle:
  - A. The full purchase price or, if a leased vehicle, the lease payments made to date, including any paid finance charges on the purchased or leased vehicle; [1991, c. 64, (AMD).]
  - B. All collateral charges, including, but not limited to, sales tax, registration fees and similar government charges; and [2003, c. 337, §5 (AMD).]
  - C. Reasonable costs incurred by the consumer for towing and storage of the vehicle and for procuring alternative transportation while the vehicle could not be driven because it did not conform to any applicable express warranty. [1999, c. 212, §2 (AMD).]

The provisions of this section do not affect the obligations of a consumer under a loan or sales contract or the secured interest of any secured party. The secured party shall consent to the replacement of the security interest with a corresponding security interest on a replacement motor vehicle that is accepted by the consumer in exchange for the motor vehicle, if the replacement motor vehicle is comparable in value to the original motor vehicle. If, for any reason, the security interest in the motor vehicle having a defect or condition is not able to be replaced with a corresponding security interest on a motor vehicle accepted by the consumer, the consumer is entitled to a refund. Refunds required under this section must be made to the consumer and the secured party, if any, as their interests exist at the time the refund is to be made. Similarly, refunds to a lessor and lessee must be made as their interests exist at the time the refund is to be made.

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[ 2003, c. 337, §5 (AMD) .]
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**3**. **Reasonable number of attempts; presumption.** There is a presumption that a reasonable number of attempts have been undertaken to conform a motor vehicle to the applicable express warranties if:

A. The same nonconformity has been subject to a repair attempt 3 or more times by the manufacturer or its agents or authorized dealers within the express warranty term, during the period of 3 years following the date of original delivery of the motor vehicle to a consumer or during the first 18,000 miles of operation of that motor vehicle, whichever occurs earliest, and the nonconformity continues to exist; [2003, c. 337, §5 (AMD).]

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A-1. [1989, c. 570, §3 (RP).]
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- A-2. The same nonconformity has resulted in a serious failure of either the braking or steering systems in the vehicle and has been subject to a repair attempt one or more times by the manufacturer or its agents or authorized dealers during the warranty term or the appropriate time period, whichever occurs earlier; or [2003, c. 337, §5 (NEW).]
- B. The vehicle is out of service by reason of a repair attempt by the manufacturer, its agents or authorized dealer, of any defect or condition or combination of defects for a cumulative total of 15 or more business days during that warranty term or the appropriate time period, whichever occurs earlier. [2003, c. 337, §5 (AMD).]

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[ 2003, c. 337, §5 (AMD) .]
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**3-A. Final opportunity to repair.** If the manufacturer or its agents have been unable to make the repairs necessary to conform the vehicle to the express warranties, the consumer shall notify, in writing, the manufacturer or the authorized dealer of the consumer's desire for a refund or replacement. This notice can be given after one repair attempt if the nonconformity has resulted in a serious failure of either the braking or steering systems in the vehicle. For the 7 business days following receipt by the dealer or the manufacturer of this notice, the manufacturer has a final opportunity to correct or repair any nonconformities. This final repair effort must be at a repair facility that is reasonably accessible to the consumer. This repair effort does not stay the time period within which the manufacturer must provide an arbitration hearing pursuant to section 1165.

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[ 2003, c. 337, §5 (AMD) .]
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**4. Time limit; extension.** The term of an express warranty, the 18,000 mileage term, the 3-year period following delivery and the 15-day period provided in subsection 3, paragraph B, must be extended by any period of time during which repair services are not available to the consumer because of a war, invasion or strike or fire, flood or other natural disaster.

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[ 2003, c. 337, §5 (AMD) .]
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**5. Dealer liability.** Nothing in this chapter may be construed as imposing any liability on a dealer or creating a cause of action by a consumer against a dealer under this section, except regarding any written express warranties made by the dealer apart from the manufacturer's own warranties.

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[ 1983, c. 145, (NEW) .]
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**6. Disclosure of notice requirement.** No consumer may be required to notify the manufacturer of a claim under this section, unless the manufacturer has clearly and conspicuously disclosed to the consumer, in the warranty or owner's manual, that written notification of the nonconformity is required before the consumer may be eligible for a refund or replacement of the vehicle. The manufacturer shall include with the warranty or owner's manual the name and address to which the consumer shall send the written notification.

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[ 1987, c. 395, §6 (AMD) .]
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**6-A. Notification of dealer.** Consumers may also satisfy a manufacturer's notice requirement by notifying in writing the authorized dealer of a claim under this section. The dealer shall act as the manufacturer's agent and immediately communicate to the manufacturer the consumer's claim.

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[ 1987, c. 359, §7 (NEW) .]
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- 7. Disclosure at time of resale for failure to make effective repair. A motor vehicle that is returned to the manufacturer under subsection 2 may not be resold without clear and conspicuous written disclosure to any subsequent purchaser, whether that purchaser is a consumer or a dealer, of the following information:
  - A. That the motor vehicle was returned to the manufacturer under this chapter; [1985,  $\circ$ . 220, §3 (NEW).]
  - B. That the motor vehicle did not conform to the manufacturer's express warranties; and [1985, c.220, §3 (NEW).]
  - C. The ways in which the motor vehicle did not conform to the manufacturer's express warranties. [1985, c. 220, §3 (NEW).]

The certificate of title of a vehicle subject to the disclosure requirements of this subsection is subject to the branding requirements of Title 29-A, section 670.

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[ 2007, c. 383, §1 (AMD) .]
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**8.** Disclosure at time of retail sale under settlement agreement. A motor vehicle that is surrendered to a manufacturer as a result of a settlement of a state-certified arbitration must, at the time that motor vehicle is first offered for retail sale to the public, be affixed with a clear and conspicuous written disclosure stating that the vehicle was the subject of a Maine Lemon Law settlement agreement.

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[ 2003, c. 337, §5 (NEW) .]

SECTION HISTORY

1983, c. 145, (NEW). 1985, c. 220, §3 (AMD). 1987, c. 359, §§3-7 (AMD).

1989, c. 570, §§2,3 (AMD). 1991, c. 64, (AMD). 1999, c. 212, §2 (AMD).

2003, c. 337, §5 (AMD). 2007, c. 383, §1 (AMD).
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